

ATTACHMENT TWO

PLACE: Dobbs Building, Raleigh, North Carolina

DATE: November 1, 2001

DOCKET NO.: P-55, Sub 1022

TIME IN SESSION: 2:03 TO 5:28 P.M.

BEFORE: Chair Jo Anne Sanford, Presiding
Commissioner J. Richard Conder
Commissioner Robert V. Owens, Jr.
Commissioner Sam J. Ervin, IV
Commissioner James Y. Kerr, II

IN THE MATTER OF:

Application of BellSouth Telecommunications
Inc. to Provide in-Region InterLATA Service
Pursuant to Section 271 of the
Telecommunications Act of 1996

VOLUME 7

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3 check to determine if it has appropriate

4 facilities, correct?

5 A Well, you're sent back what we call an

6 FOC, which is a firm order confirmation,

7 which gives you a date.

8 And that is correct, the facility check

9 happens downstream from the FOC being given to the
10 CLEC.

11 Q So since BellSouth schedules installs
12 without knowing whether it has facilities
13 in place, it cannot assign a reliable due
14 date, can it?

15 A No. Actually, BellSouth's retail has been
16 doing that before we ever got in the
17 wholesale business. So you have exactly
18 the same process in retail as you have in
19 wholesale today.

20 Q Maybe you're confusing the word "reliable"
21 with "retail."

22 I'm asking whether BellSouth can
23 assign a reliable due date to a
24 competitor.

25 A It's as reliable as retail has. It is the

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3 same reliability as you have in wholesale.

4 It's exactly the same process.

5 Q Do you send firm order confirmations to
6 retail customers?

7 A No, we do not do FOCs, but that process
8 that we're talking about, as far as the

9 facility validation, occurs after service
10 order entry, not prior to service order
11 entry.

12 Q So when you talk about a firm order
13 confirmation, what part of that order
14 confirmation is firm?

15 A That means that the order has been issued,
16 that we have a correct order, and that
17 that order can be entered into our service
18 order generation system to create a SOCS
19 service order.

20 Q At what point in the BellSouth process of
21 providing an unbundled loop to a
22 competitor does BellSouth actually verify
23 the existence of adequate facilities?

24 A The service order flow through SOCS will
25 go down -- or will process and do an

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3 interface into the AFIG (phonetic) or the
4 LFAX database.

5 At that particular time, it will either
6 assign a cable pair, or assign -- make an
7 assignment for whatever particular loop is being

8 ordered. Or, it can fall out for review or what
9 we call a PF status, if there is no facility
10 available.

11 Q Now, on page 36 of your rebuttal testimony
12 at line 4, you indicate that that actual
13 verification of an available circuit may
14 actually occur when a technician arrives
15 to install the service; isn't that right?

16 A The verification of the facility, no; the
17 facility -- the database facility
18 verification occurs just as I have
19 explained to you.

20 If we are actually dispatching on the due
21 date, then we have an assigned cable pair for that
22 order. So as far as the order is concerned we
23 have the available facilities to work that order.

24 Q So BellSouth confirms the install date in
25 the firm order confirmation based solely

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3 on the hope that appropriate facilities do
4 exist, but without verifying those
5 facilities until some later time.

6 A BellSouth, again, is following the same
7 process we've always followed as far as

8 assigning database facilities based on the
9 fact that in our database, the percent
10 accuracy of that is high enough that we
11 conclude that we will make those
12 assignments and that there -- we do not do
13 the preFOC check.

14 That's just not part of the process for
15 retail, and it certainly is not the process for
16 wholesale.

17 Q But I'm not asking about retail. I mean,
18 that's a separate part of this
19 Commission's jurisdiction, to ensure that
20 retail customers have adequate and just
21 and reasonable service.

22 I'm talking about wholesale service.
23 I'm talking about what BellSouth provides
24 to wholesale competitors.

25 A Which is the same process.

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3 Q On page 36, line 4 of your testimony,
4 again, you stated that a technician may
5 find a record discrepancy or defective
6 facility when he or she arrives to install

7 service.

8 A Are we on the rebuttal? I'm sorry.

9 Q Rebuttal testimony.

10 A Okay. I'm sorry, go ahead.

11 Q Okay. You state there that a BellSouth

12 technician, when he or she arrives to

13 install service and tests facilities, may

14 find a record discrepancy or defective

15 facility.

16 And I'm paraphrasing there.

17 And that that person will then

18 attempt to locate spare and good

19 facilities.

20 Is what you're actually saying here

21 that it's up to the individual technician

22 to locate circuits and install the CLP

23 service in a fair and nondiscriminatory

24 manner?

25 A No. What I'm saying here is that -- and

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3 the indication here that the facility

4 records are assigned, and we expect those

5 facilities to be good, and we expect those

6 facilities to be fair.

7 And I'm also saying that when he arrives and
8 tests, if there is a record discrepancy, meaning
9 there is a problem with that facility, they will
10 try to resolve that problem by trying to determine
11 a spare facility out there that does not have
12 discrepancy so that they can complete that order.

13 Q And the tech, if it -- so desires, may
14 just report back saying the records that
15 you checked were inaccurate, and the
16 circuit was defective, and there's no
17 spare facilities available for this
18 particular competitor.

19 A The tech's process should be that they
20 should look for a facility that matches
21 that type service, and they should test
22 for a facility that they can convert that
23 to and complete that order.

24 Q And you've confirmed that that's what your
25 techs are doing here in North Carolina?

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3 A Again, you're talking now about getting
4 into the outside piece of that, and Al
5 Hartley would be the person that probably

6 should address that.

7 Q How often does BellSouth advise its retail
8 customers that does not have facilities
9 available to due to what you referred to
10 as a record discrepancy?

11 A I really don't know if I can answer that.
12 I'm not sure what their process is in the
13 retail side for -- depending on, I guess,
14 whether or not if it is a coordinated
15 conversion from the retail units.

16 And I'm going to step off here, because I
17 used to have a retail operation, and for
18 coordinated orders, we would notify them when we
19 had determined there was no facility available.
20 And I would assume they're still doing the same
21 functionality.

22 Q Okay. Well, since you're comparing
23 everything that we're talking about to
24 retail, what's the retail number in terms
25 of how often retail customers are advised

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3 that they cannot have service on the date
4 promised because there's a record
5 discrepancy in the BellSouth records?

6 A I don't -- I don't have that data.

7 Q How often does BellSouth advise those

8 retail customers that they cannot have

9 service because of a defective facility?

10 A I mean, I don't have that information in

11 front of me. They have the same process

12 we do, but I don't know how often. If

13 you're asking me for numbers, I don't do

14 reports for retail.

15 Q Therefore, you have no way of knowing how

16 the level of those advisory relates to the

17 level of advisories of no facilities given

18 to CLPs.

19 A No. Again, you know, coming from the

20 retail, I know the processes are the same.

21 And that's as far as I can go in that

22 explanation.

23 Q On page 36, again, this time on line 10,

24 you talked about the timing of the notice

25 and information provided to the CLP being

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3 the same as that provided to a BellSouth

4 end user. Or pending facility notices, or

5 PF.

6 What's the timing of that notice?

7 A Well, the timing -- or the intent of that

8 statement is that when a PF is issued, it

9 would go through the same notification

10 process to get back to the centers to

11 notify retail as it does to get back to

12 the PF report --

13 Q And what is that timing?

14 A -- or back to the wholesale group, to

15 notify them that it's in PF condition.

16 Q And what is that timing that you say is

17 that parity?

18 A Whatever time -- whatever time that is, is

19 the same. I mean, the notice comes from

20 the same source.

21 Q So if a competitor comes in and, for

22 example, files testimony in a proceeding

23 saying they're not getting timely notices,

24 what's your response in terms of saying,

25 This is when you should be getting the

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3 notices? If you're not getting it, then

4 let me know.

5 A I mean, I can't give you an exact time,
6 because it depends on when it goes into
7 PF.

8 All I'm saying is the PF notification that
9 goes out, that notifies that there's a PF
10 condition, comes from the same source.

11 Q Now, on line 18 of that same page, 36, of
12 your rebuttal testimony, you state that
13 BellSouth's due date commitment
14 represents -- again, I'm paraphrasing -- a
15 date BellSouth strives to provision
16 service, barring unforeseen facilities
17 shortages, manpower shortages, or acts of
18 God.

19 What's an unforeseen facility
20 shortage, as you use that term here?

21 A And unforeseen facility shortage would be
22 a defective facility.

23 Q That would be defective facility that's
24 found out at what point in the process?

25 A In the case I think we're talking about

4 when the technician got to the site or got
5 to the end user to provision that service,
6 found that they had a defective facility.

7 So that would been on the due date.

8 Q So that categorization of a facilities
9 shortage would exclude a facilities
10 shortage that was unforeseen at the time
11 of the firm order confirmation.

12 A It would not only exclude the firm order
13 confirmation, but the fact that it was
14 assigned saying there was an available
15 cable pair indicated that we felt like we
16 had a good pair. And the only time we
17 could determine otherwise was when we went
18 to the site, determined we have a
19 defective facility, and there are no more
20 facilities available to serve that
21 particular service.

22 Q So to clarify that portion of your
23 testimony, is it fair to say that
24 BellSouth will attempt to install loops on
25 the date it commits to on the firm order

- 4 performance for acts of God, manpower
- 5 shortages, a facility being unavailable,

6 or a facility that was thought to be
7 available based on records checked after
8 the firm order confirmation turning out to
9 be unavailable or not working?

10 A I don't agree with the term, first of all,
11 of "excuse." We're not excusing anything;
12 I mean, it's just a fact of the process of
13 how it operates, and the process of going
14 through that.

15 So, I mean, if the facility is not available
16 or the facility is defective, then the process
17 I've laid out for you is the process, and there
18 would not be a facility available and we would
19 have to go back and probably do a construction job
20 or create some additional facilities to meet that
21 service.

22 That's the process that we work in.

23 Q Now, I know you're not Mr. Varner --

24 A You're exactly right.

25 (DISCUSSION OFF THE RECORD.)

PLACE: Dobbs Building, Raleigh, North Carolina

DATE: November 2, 2001

DOCKET NO.: P-55, Sub 1022

TIME IN SESSION: 8:32 A.M. TO 12:32 P.M.

BEFORE: Chairman Joanne Sanford, Presiding
Commissioner Sam J. Ervin, IV
Commissioner J. Richard Conder
Commissioner Robert V. Owens, Jr.
Commissioner James Y. Kerr, II

IN THE MATTER OF:
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3 MR. KLEIN: Thank you, Commissioner.

4 CROSS EXAMINATION BY MR. KLEIN:

5 Q. Good morning, Mr. Williams. Andy Klein for KMC

6 Telecom. I have some very brief questions for you

7 this morning.

8 A. Good morning.

9 Q. The first thing I'd like to call your attention to

10 is page 29, line 5, of your testimony. You say

11 that BellSouth will only offer its ADSL service on

12 UNE loops and UNE-P.

13 MR. LACKEY: Excuse me. Is that direct or

14 rebuttal, please?

15 MR. KLEIN: I'm sorry. The rebuttal testimony.

16 MR. LACKEY: What line, please?

17 MR. KLEIN: Line 5.

18 Q. Isn't your policy the exact opposite of that? You
19 won't offer ADSL on UNE loops or UNE-P?

20 A. Yes. That's an error. I apologize.

21 Q. Now, your rebuttal testimony indicates that you

22 disagree with the statements of KMC witnesses Swain

23 and Withers that BellSouth is using DSL to block

24 end users from using KMC's voice service; is that

25 right?

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3 A. That is correct.

4 Q. As a part of that statement, you assert that

5 BellSouth places DSL on the line that the customer

6 requests, correct?

7 A. That's correct.

8 Q. And in your answer to the testimony at issue here,

9 that begins with the question as posed on line 23

10 of page 28, you're assuming that the customers at

11 issue here are the multi-line customers, and--given

12 you made reference to the primary line. Is that

13 right? In other words, what we're dealing here is

14 with multi-line customers.

15 A. Well, what we're dealing with is end users who call

16 up and request BellSouth put data service on a line

17 and then they--we request that they tell us the

18 telephone number of that line. They could be

19 single-line customers or they could be multi-line

20 customers. Regardless, we need the telephone

21 number.

22 Q. Okay. Now, assuming we're dealing with multi-line

23 small business customers here who have a primary

24 line and a hunt group associated with that primary

25 line, what's the significance of a primary number

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3 on that account?

4 A. I'm not sure I understand your question.

5 Q. What--how do you differentiate the primary number

6 from the roll-over lines, or the secondary numbers?

7 A. I don't understand what you mean by

8 "differentiate."

9 Q. Would the primary line, for example, be the number

10 that was in the phone directory, and that line

11 would then roll over to secondary lines if the

12 primary number was busy?

13 A. That would be the usual way that would be done,

14 yes.

15 Q. And if the primary line was served by BellSouth,

16 could those secondary lines be served by a

17 competitor, allowing those calls to roll over from

18 the primary to a secondary line?

19 A. I don't believe so, but that question might be

20 better directed at Mr. Milner than myself.

21 Q. Okay. It's significant here, because if BellSouth

22 assigns DSL to the primary line, can a competitor

23 then win over and serve that primary line?

24 A. Well, they certainly can. But I think your point

25 is that if BellSouth has their data service on the

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3 primary line, we're not gonna allow the data

4 service to remain on the line if it's converted

5 over. I believe that's your point, isn't it?

6 Q. Correct, that the data--the customer would have to

7 lose that data service in order to allow the

8 competitor to then obtain that customer's service.

9 A. Well, the end user certainly has choice here. If

10 it's a multi-line customer, they could request that

11 we put our data service, if it wishes for BellSouth

12 to provide data service, on any of their lines.

13 We'll place the data service on any line that the

14 end user requests us to place it on, the data

15 service line.

16 Q. Turning, once again, to page 29 in your rebuttal

17 testimony, at line 9 you state that BellSouth does

18 not require that the ADSL reside on the primary

19 number, correct, the primary line?

20 A. That's correct.

21 Q. Okay. Where is that policy stated in writing for

22 BellSouth employees?

23 A. I don't know that.

24 Q. Does BellSouth have a policy to install the DSL on

25 the primary lines in the absence of customer

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3 specification?

4 A. No. BellSouth has a policy to place its data

5 service on the telephone number that the end user

6 requests.

7 Q. My question was, if the customer does not specify.

8 A. We ask the customer. He's got to tell us what

9 telephone number he wants the service on.

10 Q. And do you know what the script is for asking

11 customers that question?

12 A. No, I don't. I believe that we have to request

13 what telephone number they would like the data

14 service placed on. That's no different than any

15 other service. If you call up and you want call

16 hunting or call waiting, they ask you what

17 telephone number you'd like to place it on. This

18 is no different.

19 Q. Has BellSouth explained to the end user that if the

20 DSL is placed on the primary line that that

21 customer cannot then switch to a competitor?

22 A. I don't think so.

23 MR. KLEIN: I have nothing further.

24 COMMISSIONER ERVIN: Any further questions for

25 Mr. Williams? Mr. Anderson.

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3 "I have completed this service order." So SOCS now
4 has a CP, or a completion notice. SOCS has been
5 updated to show the order is completed.

6 Q. And what SOCS is gonna do is, it's gonna send the
7 completion notice back to the CLP at that stage?

8 A. Yes.

9 Q. And the next step on the process is for SOCS to
10 update and--CRIS billing system, Customer Record
11 Inventory System.

12 A. That's correct. If there are no errors on the

13 order.

14 Q. And when we talk about the updating of the CRIS
15 database, that's when we start to get in Mr.
16 Scollard's turf?

17 A. That's correct.

18 MR. O'ROARK: Thank you, Mr. Heartley. No
19 further questions.

20 CROSS EXAMINATION BY MR. KLEIN:

21 Q. Good morning, Mr. Heartley. Andy Klein for KMC
22 Telecom.

23 A. Good morning.

24 Q. Mr. Heartley, in your summary today you stated
25 there is a reasonable expectation that procedures

2

3 would be followed, and on line 12 of page 3 of your
4 direct testimony in this proceeding---

5 A. Yes.

6 Q. --you state that differences in performance can and
7 do exist.

8 A. Yes.

9 Q. Are there factors that affect performance, even if
10 processes are the same?

11 A. Yes. There are factors that affect performance
12 even if processes are the same.

13 Q. And among of those factors, might compliance or
14 non-compliance with procedures be listed?

15 A. If a technician were not complying with processes
16 or our procedures, that could affect performance.

17 But we do evaluate our technicians and our

18 employees on their performance.

19 Q. And the level of compliance with those procedures
20 can affect BellSouth's performance on things like
21 new installs or hot cuts or repair?

22 A. Sure it could.

23 Q. The reason I'm asking these questions is because
24 several of your colleagues have referred me to you
25 for these areas. I hadn't planned to ask you many

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3 questions if at all. But one question that was
4 referred by Mr. Ainsworth was whether you've
5 examined how well or how poorly those technicians
6 follow your standard procedures here in North
7 Carolina.

8 A. We do. We--our technicians are evaluated twice a
9 year on their performance from both a quantity
10 standpoint and a quality standpoint, and part of
11 that evaluation is then following their methods and
12 procedures in installing service and in maintaining
13 service.

14 Q. How is that review conducted?

15 A. That review is conducted by the first-level
16 supervisor of the technicians that are performing
17 the work.

18 Q. So they ask them, "Are you following procedures?"
19 And they say "Yes"?

20 A. No. They actually follow up and do some actual
21 reviews of the service orders and the troubles that
22 they worked.

23 Q. And what type of data have you produced in this
24 proceeding to indicate that those technicians have
25 successfully passed those review?

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3 A. I have not produced any data concerning that,
4 because from an originality standpoint and what my
5 understanding of the FCC, we've shown that our
6 technicians receive the same training throughout
7 the region. We have a regional training center.

8 They follow the same methods and procedures, and we
9 have a common organization throughout the region.

10 Q. But those FCC orders to which you make reference
11 are the ones where there was already a lead state
12 granted 271 authority and these were follow-on
13 states; is that right?

14 A. What I am referring to is the Kansas and Oklahoma
15 order, yes.

16 Q. And that Kansas and Oklahoma order followed Texas'
17 approval, which was an other SPC---

18 A. It did. That's correct.

19 Q. So it's BellSouth's opinion that you don't have to
20 have any actual evidence of compliance with
21 procedures as long as you demonstrate that you have
22 standard procedures in place?

23 A. State that again?

24 Q. It's BellSouth's position that you don't have to
25 demonstrate that you're actually--that your

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3 technicians are actually complying with the
4 procedures; you're just assuming that the
5 procedures are uniform and that the technicians are
6 complying. Is that correct?

7 A. No. We actually follow up with our technicians

8 with evaluating our technicians, and where we
9 actually follow up is in looking at the performance
10 of a particular state and district and how they're
11 doing on the service quality measures that we have
12 for that state.

13 Q. But BellSouth doesn't believe it's important to
14 actually file any of that data in its proceeding
15 asserting that it's compliant with the checklist?

16 A. I don't know about compliance with the checklist,
17 but we have service quality measures that we use to

18 see that our employees are following procedures and
19 providing the service that is imperative with our
20 retail customer service in the state where we are
21 looking, like North Carolina.

22 Q. But since you're a uniformity of procedures guy and

23 not a performance measurement guy, I'd like to ask
24 you about what data you've produced that
25 demonstrates compliance with those standard

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3 procedures. I think your answer was no. I just

4 want to confirm that. You have not---

5 A. I have not produced any data.

6 MR. KLEIN: Okay. Thank you.

7 CROSS EXAMINATION BY MR. COONEY:

8 Q. Mr. Heartley, my name is Jim Cooney. I'm one of

9 the lawyers for AT&T.

10 A. Good morning.

11 Q. Good morning. Welcome back to North Carolina.

12 A. Thank you. It's great to be back.

13 Q. What I'd like to do is talk to you about the

14 maintenance flow in the BellSouth region, and I

15 wanted to talk about it on a real basic level, so

16 I'm gonna try and be real simple. I live in

17 Charlotte, I'm a BellSouth customer, I've got plain

18 vanilla residential service. I pick up the

19 telephone and I don't get a dial tone. I've got a

20 problem.

21 A. All right.

22 Q. Now, I call my customer representative using my

23 cell phone or my neighbor's phone, and, as I

24 understand it, assuming we can't troubleshoot the

25 problem right there, then a report will go into